

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 674 - SB 1426

March 17, 2017

SUMMARY OF BILL: Authorizes a dealer to claim a deduction or refund of the sales tax previously reported by the dealer on the unpaid balance due on a private label credit card account that is written off by a lender as bad debt.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – \$4,367,000

Decrease Local Revenue – \$1,750,000

Assumptions:

- According to the Department of Revenue, the proposed authorization will result in a recurring decrease in state sales tax collections of approximately \$4,367,000 and a recurring decrease in local government sales tax collections of approximately \$1,750,000.
- Any increase in state expenditures to effectuate the requirements of this legislation is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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